

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

July 29, 2015

Mr. Denis McDonough
Chief of Staff
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. McDonough:

We write regarding the Environmental Protection Agency's (EPA) pending ozone regulation scheduled to be finalized by October 1, 2015. EPA has proposed to revise the current standard of 75 parts per billion (ppb) established in 2008 to a level within the range of 65 ppb to 70 ppb. EPA's implementing regulations for the existing standard were not published until March 6, 2015, and states are just beginning to implement that standard. Nevertheless, EPA is proposing to change that standard through a new regulation that would potentially be the most expensive in the agency's history.

In the United States, ozone levels have declined over 30 percent since 1980 and are projected by EPA to continue to decline under the existing standard. Under the proposed rule, hundreds of counties across the country, including many rural areas, would be designated to be in "nonattainment," subjecting them to new regulatory restrictions and compliance requirements. The proposed rule would make it more difficult for manufacturing and other businesses in those areas to build and expand, make and sell products, and create jobs. In addition, the rule would have immediate implications for transportation projects and for the development of other infrastructure in these areas. EPA estimates the annual compliance costs nationally would range from approximately \$4.7 billion to \$16.6 billion. Independent compliance-cost estimates project up to \$140 billion annually. At the same time, uncertainties about EPA's projected benefits have been raised in public comments to the agency and in various public forums.

EPA's pending rule threatens serious economic harm and is being proposed as the nation continues to face major fiscal and employment challenges, including stagnant wages and a low labor participation rate. Our concerns are underscored by the public comments submitted by hundreds of organizations representing businesses across the economy. Attached is a list of nearly 700 national, state, and local organizations and stakeholders requesting that EPA retain the existing standard. This list highlights the scope of the potential adverse effects of this rule, including for manufacturing and other sectors critical to the U.S. economy. Given the significant costs of the proposed rule, the

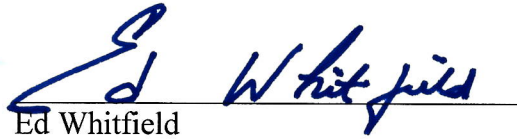
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uncertainty of the benefits, and the expected ozone reductions under the existing standard, we do not believe that revisions are required at this time.

Sincerely,



Fred Upton
Chairman
Committee on Energy and Commerce



Ed Whitfield
Chairman
Subcommittee on Energy and Power



Pete Olson
Vice-Chairman
Subcommittee on Energy and Power

Attachment

Cc:

The Honorable Gina McCarthy, Administrator
U.S. Environmental Protection Agency

The Honorable Shaun Donovan, Director
Office of Management and Budget

The Honorable Howard Shelanski, Administrator
Office of Information and Regulatory Affairs

The Honorable Frank Pallone, Ranking Member
Committee on Energy and Commerce

The Honorable Bobby Rush, Ranking Member
Subcommittee on Energy and Power